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FISCAL IMPACT REPORT

SPONSOR	<u>McSorley</u>	ORIGINAL DATE	<u>1/26/07</u>	HB	<u></u>
		LAST UPDATED	<u></u>		
SHORT TITLE	<u>NM Low-Income Home Energy Assistance Program</u>	SB	<u>SJM 3</u>		
		ANALYST	<u>Francis</u>		

SOURCES OF INFORMATION

LFC Files

Response Received

Human Services Department (DHS)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 3 calls on the United States Congress to increase the budget authorization for the low income home energy assistance program (LIHEAP) to \$7 billion for FY07 and appropriate the entire amount to the states.

SIGNIFICANT ISSUES

SJM 3 states that the current appropriation of \$2.2 billion is inadequate to meet the winter needs of the low income families in the U.S. and that this is the most efficient program to provide assistance. HSD reports that if Congress appropriated \$7 billion, New Mexico would likely receive \$35 million in FY07 and assist one-third of the families who fall into the home energy affordability gap of \$600. Under the current \$2.2 billion appropriation, NM will be allotted \$9.5 million and there is currently no state appropriation for LIHEAP in FY07.

ADMINISTRATIVE IMPLICATIONS

HSD reports that expanding service will require additional administrative resources and the agency will require 10 percent of the appropriation to cover these costs.

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